

Filed for intro on 01/17/2002  
HOUSE BILL 2220 By  
Dunn

SENATE BILL 2279  
By Burchett

AN ACT to amend Tennessee Code Annotated, Title 49; Title 57  
and Title 67, relative to funding of elementary, secondary,  
and higher education.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-4-1004(a), is amended by deleting the language "six and one-half (6 ½) mills", and by substituting instead the language "nine and one-half (9 ½) mills".

Tennessee Code Annotated, Section 67-4-1004, is further amended by adding the following new subsections:

(c) Notwithstanding any provision of this section or any other law to the contrary, any revenue generated from the increase in tax rate from six and one-half (6 ½) mills to nine and one-half (9 ½) mills shall be allocated to elementary, secondary, and higher education.

(d) Any wholesale dealers, jobbers, tobacco distributors, and retail dealers having cigarette tax stamps, affixed and unaffixed, in their possession on July 31, 2002, shall not be required to pay the additional cigarette tax on such stamps resulting from the increase in tax rate from six and one-half (6 ½) mills to nine and one-half (9 ½) mills.

SECTION 2. Tennessee Code Annotated, Section 57-3-302(a), is amended by designating the existing language as subdivision (1), by deleting the language "one dollar and ten cents (\$1.10)", and by substituting instead the language "one dollar and forty cents (\$1.40)".

Tennessee Code Annotated, Section 57-3-302(a), is further amended by adding the following new subdivision:

(2) Notwithstanding any provision of this subsection or any other law to the contrary, any revenue generated from the increase in tax rate from one dollar and ten cents (\$1.10) to one dollar and forty cents (\$1.40) shall be allocated to elementary, secondary, and higher education.

SECTION 3. Tennessee Code Annotated, Section 57-3-302(b), is amended by designating the existing language as subdivision (1), by deleting the language "four dollars (\$4.00)", and by substituting instead the language "four dollars and forty-eight cents (\$4.48)".

Tennessee Code Annotated, Section 57-3-302(b), is further amended by adding the following new subdivision:

(2) Notwithstanding any provision of this subsection or any other law to the contrary, any revenue generated from the increase in tax rate from four dollars (\$4.00) to four dollars and forty-eight cents (\$4.48) shall be allocated to elementary, secondary, and higher education.

SECTION 4. Tennessee Code Annotated, Section 57-5-201(a)(1), is amended by deleting the language "three dollars and ninety cents (\$3.90)", and by substituting instead the language "seven dollars and fourteen cents (\$7.14)".

Tennessee Code Annotated, Section 57-5-201(a), is further amended by adding the following new subdivision:

(3) Notwithstanding any provision of this subsection or any other law to the contrary, any revenue generated from the increase in tax rate from three dollars and

ninety cents (\$3.90) to seven dollars and fourteen cents (\$7.14) shall be allocated to elementary, secondary, and higher education.

SECTION 5. Tennessee Code Annotated, Section 57-6-104(c)(5), is amended by inserting the language "or the state privilege tax levied in Tennessee Code Annotated, Section 57-5-201" immediately following the words "excise tax" in the first sentence.

SECTION 6. Section 1 of this act will take effect on August 1, 2002, the public welfare requiring it.

SECTION 7. Sections 2, 3, 4, and 5 of this act will take effect on September 1, 2002, the public welfare requiring it.